



**NON DRILLING AND NON SURFACE TRESPASS  
OIL & GAS LEASE**

THIS LEASE, made this 25 day of January 2011, by and between Thomas J. Martin, 10304 Boyds Corners, Massillon, OH 44647 hereinafter called the Lessor, and Lake Region Oil, Inc, P. O. Box 499, Dalton, Ohio 44618, hereinafter called the Lessee, do agree:

1. Lessor, for consideration, grants Lessee all the oil and gas in the lands described below, with the exclusive rights to operate for, produce and market the same from a well or wells on other lands; the right to unitize Lessor's lands, or any portion, with other lands into a drilling unit. This lease is to be for 5 year(s), and as long thereafter as operations are being conducted on any such unit or oil or gas can be produced in paying quantities in Lessee's judgment from any such unit.

This lease is for the following Permanent Parcel Number: 05-04741 containing 5.62 acres. Located in the City of Massillon, County of Stark, Lot 981, and State of Ohio.

2. Lessor shall be paid as royalties a proportional share of one-eighth (1/8) of the proceeds realized by Lessee on all oil and gas sold off the unit, as the amount of Lessor's acreage in the unit bears to the total acreage in the unit, the same to be paid by the end of the next month following the Lessee's receipt of payment for same. Lessee will deduct from Lessor's royalties Lessor's pro rata share of any tax imposed by any government body and Lessor's pro rata share of transportation and compression charges, if any, to market said gas. If after a well is drilled there is no production from any such unit for six continuous months, then thereafter, Lessor shall be paid One Hundred dollars per year until production occurs.

**3. No well shall be drilled on Lessor's property, nor shall Lessee enter upon or install any installation of any nature whatsoever on the leased property, the within Lease being granted solely for the purpose of permitting the Lessee to unitize the leased property with other properties, which other properties shall bear all the burden of development.**

4. This Lease shall be binding on all heirs, successors, and assigns of Lessor and Lessee. No change of ownership shall be binding on Lessee until Lessee has received adequate evidence of transfer. If the leased land is hereinafter owned in separate tracts, the premises, nevertheless, shall be treated as an entirety and all payments due shall be paid proportionally to each separate owner, and if Lessor owns less than the entire fee, Lessor shall be paid only his proportional share of any payment due. Lessee may at any time surrender this Lease in whole or in part.

5. No change of ownership in the leased premises or in the rentals or royalties hereunder shall be binding on Lessee until after notice to the Lessee either by delivery of notice in writing duly signed by the parties to the instrument of conveyance or assignment and delivery of such original instrument or a duly certified copy thereof to the Lessee.

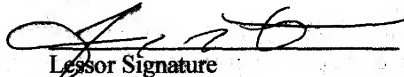
6. Lessee may at any time assign this Lease in whole or part to successors and assign with the written consent of Lessor, which shall not be unreasonably withheld. However, Lessee may at any time assign this Lease in whole or in part to its affiliates or co-owners of the well on said lands without the consent of the Lessor. Lessee shall within fifteen (15) days of any assignment of this Lease notify Lessor of such assignment and furnish Lessor a true and correct copy of such assignment.

7. In the event Lessor considers Lessee has not complied with its expressed or implied obligations hereunder, Lessor shall notify Lessee in writing indicating specifically what Lessee allegedly has breached. Lessee shall have 30 days after receipt of said notice to meet or commence to meet any part of the breached alleged by Lessor. Lessor shall not bring any action against Lessee until after 30 days after service of such notice on Lessee.

8. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that Lessee, at its option, may pay and discharge any taxes, mortgages, or other liens levied, or assessed on or against the said lands and, in the event it exercises such option, it shall be subrogated to the rights of any holder or holders, thereof and may reimburse itself for any payments due hereunder. This lease contains all the agreements of the parties, and there shall be no implied covenants or verbal representations.

Signed and acknowledged by:

Lessor(s):

  
Lessor Signature

Tom S. Martin  
Lessor Printed Name

STATE OF OHIO  
COUNTY OF STARK

The foregoing instrument was acknowledged before me this 5th day of January,

2011, by Tom S. Martin

  
Notary Public

My Commission Expires:

ROBERT J. DERVIN II  
Notary Public, State of Ohio  
My Commission Expires April 30, 2012

This instrument prepared by: Lake Region Oil, Inc., P. O. Box 499, Dalton, OH 44618